Government of Saskatchewan

Health

Drug Plan and Extended Benefits Branch

Annual Report

2011-12

Contents

Drug Plan and Extended Benefits Branch
MISSION STATEMENT 3

Drug Plan
Highlights for 2011-12 4
Program Objectives and Supporting Information 5

Supplementary Health and Family Health Benefits
Highlights for 2011-12 17
Program Objective and Supporting Information 17

Saskatchewan Aids to Independent Living (SAIL)
Highlights for 2011-12 21
Program Objective and Supporting Information 21

Tables

Table 1 Types of Drug Plan Coverage 6
Table 2 Total Beneficiary and Drug Plan Payments 9
Table 3 Distribution of Prescription Drug Plan Costs 10
Table 4 Prescription Drug Utilization Trend by Age of Discrete Beneficiary 11
Table 5 Prescription Cost to Families 12
Table 6 Supplementary Health Program and Family Health Benefits Payments 17
Table 7 Historical Costs of Supplementary Health Program and Family Health Benefits Payments 19
Table 8 Caseloads and SAIL Payments 22
Table 9 Units of Equipment Issued 25

Charts

Chart 1 Supplementary Health Program and Family Health Benefits Payments 20
Chart 2 SAIL Payments 26

Appendices

Appendix 1 Drug Plan History 27
Appendix 2 History of Deductibles 30
Appendix 3 Pharmacy Claims Processing 31
Appendix 4 Supplementary Health and Family Health Benefits Program History 32
Appendix 5 Saskatchewan Aids to Independent Living (SAIL) Program History 33

Drug Plan and Extended Benefits Branch

MISSION STATEMENT

Drug Plan and Extended Benefits Branch provides benefits to the eligible Saskatchewan population by:

- **promoting rational and appropriate use of drug therapies and extended benefits;**
- **ensuring the long term viability of benefits provided by pursuing better value strategies such as low cost alternative policies, product listing agreements, standing offer contracts, generic drug pricing strategies and maximum allowable cost policies;**
- **promoting citizen-centred service through the provision of drug plan and extended health benefits to eligible residents; and,**
- **providing information to the public and various stakeholders regarding policies, benefit assessment and program utilization.**

The following kinds of activities contribute to achieving the Mission:

- leading policy development on Drug Plan, Saskatchewan Aids to Independent Living (SAIL), Supplementary Health and Family Health Benefits related issues;
- providing ongoing policy development related to the Pharmaceutical Information Program (PIP) including stakeholder engagement and electronic health record integration;
- providing Drug Plan benefits to the eligible Saskatchewan population;
- providing non-insured health benefits to residents nominated for Supplementary Health benefits by the Ministry of Social Services, and for residents receiving Family Health Benefits;
- providing SAIL Program benefits to eligible residents;
- determining, on behalf of health regions, income-tested resident charges for residents of Special Care Homes;
- providing case management services in appropriate areas;
- establishing and managing the Saskatchewan Formulary, which is used by health professionals, third party payers, drug wholesalers and manufacturers;
- improving program delivery and accountability to the public and the Legislature through trends analysis and annual reports;
- providing funds for various initiatives that encourage appropriate use of drugs, e.g. RxFiles Academic Detailing Program;
- actively engaging in evidence-based national drug initiatives including the Common Drug Review and the pan-Canadian Oncology Drug Review; and
- co-leading the Western Pricing and Purchasing Collaborative and actively engaging in initiatives related to the New West Partnership and the Pan-Canadian Purchasing Alliance.

Highlights for 2011-12

- **Drug claims processed for Formulary and Exception Drug Status drugs:**
  - processed 11.7 million prescriptions from April 1/11 to March 31/12.
  - provided benefits in the amount of $296.6 million.
  - total average cost per prescription was $45.04 (includes drug acquisition, mark-up, dispensing fee and compounding fee).
- One in every two families that received a prescription received a financial benefit.
- Implemented a phased-in generic drug pricing strategy to lower generic drug prices for consumers and the Drug Plan.
- **The Seniors' Drug Plan:**
  - helped 123,256 seniors by providing benefits in the amount of $96.8 million.
  - assisted, on average with 72.8% of the total prescription costs.
- **The Special Support Program:**
  - helped 98,790 individuals by providing benefits in the amount of $115.8 million.
  - assisted, on average with 72.6% of the total prescription costs.
- **The Children's Drug Plan:**
  - helped 61,822 children by providing benefits in the amount of $6.1 million.
  - assisted, on average with 67.9% of the total prescription costs.
- **The Saskatchewan Assistance Plan:**
  - helped 43,460 individuals by providing benefits in the amount of $40.1 million.
  - assisted on average with 98.4% of the total prescription costs.
- **Palliative Care Program:**
  - terminally ill patients covered under the Palliative Care Program received 109,441 prescriptions at no charge.
  - the Drug Plan payment for Palliative Care totalled $5.6 million.

Program Objectives and Supporting Information

Objective 1 – Provide coverage to Saskatchewan residents for quality pharmaceutical products of proven therapeutic effectiveness

- The Drug Plan establishes the Saskatchewan Formulary which is an approved list of quality pharmaceutical products of proven therapeutic effectiveness. The process for review and approval of Formulary Drugs can be found on the Formulary website http://formulary.drugplan.health.gov.sk.ca. Drugs listed in the Formulary are available to all Saskatchewan residents at the agreed price negotiated with suppliers.

Objective 2 – Reduce the direct cost of prescription drugs for Saskatchewan residents

- The Drug Plan provides a number of coverage programs based on financial need, medical condition and other criteria. The coverage programs specifically target the young, seniors and those households with high drug costs relative to their incomes. Programs also recognize the high drug costs associated with certain diseases and conditions. In 2011-12, the Drug Plan paid 57% of the $524.9 million of eligible drug costs. The programs are detailed in the following pages.

Table 1 Types of Drug Plan Coverage

April 2011 - March 2012

	2008-09	2009-10	2010-11	2011-12
Saskatchewan Assistance Plan				
Actual Beneficiaries	38,986	40,966	43,580	43,460
Total Drug Benefits Paid (Millions)	$31.7	$34.5	$37.9	$40.1
Number of Prescriptions	722,069	749,573	814,541	854,941
Special Beneficiaries				
Actual Beneficiaries[1]	5,745	17,679	5,500	5,303
Total Drug Benefits Paid (Millions)	$18.4	$19.2	$19.2	$19.7
Number of Prescriptions	151,958	168,625	158,987	157,949
Palliative Care				
Actual Beneficiaries	2,805	2,821	2,982	3,060
Total Drug Benefits Paid (Millions)	$4.8	$5.1	$5.6	$5.6
Number of Prescriptions	98,990	101,684	105,610	109,441
Special Support				
Actual Beneficiaries	101,022	98,403	99,309	98,790
Total Drug Benefits Paid (Millions)	$106.2	$108.3	$113.7	$115.8
Number of Prescriptions	3,282,818	3,151,655	3,273,998	3,372,804
Income Supplement				
Actual Beneficiaries	15,322	15,544	14,764	15,099
Total Drug Benefits Paid (Millions)	$3.1	$3.1	$3.1	$3.6
Number of Prescriptions	296,177	285,822	276,423	298,685
Family Health Benefits				
Actual Beneficiaries	26,856	25,613	24,915	23,314
Total Drug Benefits Paid (Millions)	$3.8	$3.9	$4.2	$4.0
Number of Prescriptions	167,068	158,806	154,859	146,312
Emergency Assistance				
Actual Beneficiaries	467	374	344	358
Total Drug Benefits Paid (Millions)	$0.1	$0.1	$0.1	$0.1
Number of Prescriptions	1,215	995	1,045	1,040
Seniors' Drug Plan				
Actual Beneficiaries	123,245	120,000	121,507	123,256
Total Drug Benefits Paid (Millions)	$94.6	$107.2	$104.6	$96.3
Number of Prescriptions	2,147,404	2,323,131	2,376,960	2,392,164
Children's Drug Plan				
Actual Beneficiaries	40,789	54,897	62,475	61,822
Total Drug Benefits Paid (Millions)	$3.1	$5.1	$5.9	$6.1
Number of Prescriptions	108,678	166,820	193,987	190,766
Other[2]				
Actual Beneficiaries[3]	15,684	20,941	30,373	104,858
Total Drug Benefits Paid (Millions)	$2.3	$3.1	$3.7	$4.7
Number of Prescriptions	3,506,590	3,751,403	3,900,200	4,128,268

Actual Beneficiaries are the number of total beneficiaries who received part or all of their drug cost paid by the Drug Plan.

Note: Beneficiaries may appear in more than one category if they had prescriptions paid under more than one coverage.

[1] Number of Actual Beneficiaries in 2009-10 are higher due to the dispensing of the Tamiflu drug on a one-time basis.

[2] Includes Special Fees, Standard Beneficiaries, Special Support (100% co-pay), and Saskatchewan Workers.

[3] Number of Actual Beneficiaries in 2011-12 are higher due to expanded prescribing authority for Saskatchewan Pharmacists (see page 15).

Types of Drug Plan Coverage

1. *Saskatchewan Assistance Plan*

Residents receiving benefits through the Saskatchewan Assistance Plan (SAP) are entitled to Drug Plan benefits at a reduced charge, or at no charge depending on their level of coverage. Deductibles are waived for these beneficiaries.

a. *Plan One*

Plan One beneficiaries 18 years or older are entitled to receive insulin, oral hypoglycemics, injectable vitamin B12, allergenic extracts, oral contraceptives and some products used in megavitamin therapy at no charge. These beneficiaries pay a reduced charge, to a maximum of $2.00, for all Formulary and approved Exception Drug Status drugs.

Dependents under 18 years of age are entitled to receive the above benefits at no charge.

b. *Plan Two*

Beneficiaries receiving Plan Two coverage are entitled to receive the same benefits as Plan One patients, but at no charge.

Plan One beneficiaries requiring several Formulary drugs on a regular basis can be considered for "Plan Two" drug coverage. Plan Two drug coverage may be initiated by contacting the Drug Plan. The request can be made by the patient or a health professional (e.g. physician, social worker).

c. *Plan Three*

Plan Three beneficiaries are entitled to receive all Formulary drugs and certain physician prescribed over-the-counter drugs at no charge.

Plan Three beneficiaries are residents receiving supplementary assistance who live in Special-Care homes licensed under *The Housing and Special-Care Homes Act*, Approved Homes licensed under *The Mental Health Act*, wards of the province and inmates of provincial correctional institutions.

2. *Special Beneficiaries*

Special Beneficiaries include persons approved for coverage under the paraplegic program, cystic fibrosis program, chronic end-stage renal disease program, and users of certain no-charge high cost drugs, depending on their coverage. These beneficiaries may be entitled to receive certain physician prescribed over-the-counter drugs, Exception Drug Status drugs, or all prescribed Formulary drugs at no charge under the Drug Plan.

3. *Palliative Care*

Persons in late stages of terminal illness are entitled to receive at no cost:

- regular Formulary drugs;
- Exception Drug Status drugs where prior approval has been granted;
- some commonly prescribed laxatives and select other medications required for end of life care.

4. *Income-Based Program - Special Support*

The Special Support program helps those families whose drug costs are high in relation to their income. If the annual drug costs exceed 3.4% of the family adjusted income (income after adjusting for the number of dependents), the family is eligible for Special Support benefits. Residents must apply for the Special Support Program, as the Drug Plan does not have access to the required income information. If a family is eligible for Special Support, the family and the Drug Plan share the prescription cost. The family co-payment is calculated using drug costs and adjusted family income. The introduction of the Seniors' Drug Plan reduced the number of prescriptions covered under Special Support.

5. *Income Supplement Recipients*

Single seniors and senior families receiving the Seniors' Income Plan (SIP) or receiving the federal Guaranteed Income Supplement (GIS) and residing in a nursing home have a $100 semi-annual deductible. Other single seniors and senior families receiving GIS have a $200 semi-annual deductible. The number of people receiving these supplements and benefiting from the deductible continues to decline as more people qualify for the enhanced coverage under other programs (Special Support and the Seniors' Drug Plan).

6. *Family Health Benefit Program*

Families are eligible for the Family Health Benefits Program if they meet the standards of an income test administered by the Canada Revenue Agency, or are in receipt of benefits from Saskatchewan Employment Supplement (SES) or the Saskatchewan Rental Housing Supplement (SRHS).

Comprehensive Supplementary Health Benefits are available to children under the age of 18 who qualify (dental, optical, Formulary drugs, medical supplies and appliances and ambulance services).

Partial benefits are available for adults in qualifying families (eye examinations, chiropractic payments, $100 semi-annual Family Drug Plan deductible with a 35% consumer co-payment thereafter).

7. *Emergency Assistance Program*

Residents requiring immediate treatment with benefit prescription drugs and unable to pay their share of the cost, may access a one-time emergency assistance. The level of assistance provided will be in accordance with their ability to pay. They are then required to submit a completed "special support application" to the Drug Plan in order to receive future assistance.

Emergency assistance may only be requested by a pharmacist on the resident's behalf.

8. *Seniors' Drug Plan*

Under the Seniors' Drug Plan, eligible seniors 65 years and older pay up to $20 per prescription (increased from $15 on March 21, 2012) for drugs listed on the Saskatchewan Formulary and those approved under Exception Drug Status. Residents must apply for coverage under this program.

Eligible seniors already receiving other Drug Plan coverage that provides prescriptions at less than the maximum will continue to pay the lower amount.

9. *Children's Drug Plan*

The Children's Drug Plan is available to all Saskatchewan children 14 and under. The Children's Drug Plan will ensure families pay only $20 per prescription for eligible children (increased from $15 on March 21, 2012) for drugs listed on the Saskatchewan Formulary and those approved under Exception Drug Status. No application is needed for the Children's Drug Plan, as children 14 and under are automatically eligible for coverage.

Children already receiving other Drug Plan coverage that provides prescriptions for less than the maximum will continue to pay the lower amount.

2011-12 Utilization Trends

Table 2 Total Beneficiary and Drug Plan Payments

	Discrete Beneficiaries[1]	Actual Beneficiaries[2]	Number of Prescriptions	Total Approved Prescription Cost	Total Drug Plan Payment
2001-02	614,495	190,033	7,979,826	$261,413,126	$114,865,694
2002-03	607,336	185,383	8,350,855	$297,844,480	$132,274,241
2003-04	609,792	174,362	8,641,855	$327,787,913	$149,163,934
2004-05	611,116	181,694	8,919,090	$346,752,834	$164,410,108
2005-06	622,498	192,278	9,364,871	$375,304,926	$181,288,493
2006-07	615,422	198,633	9,626,629	$402,322,418	$198,843,985
2007-08	626,875	248,558	10,123,194	$435,191,159	$245,366,836
2008-09	631,941	271,687	10,482,967	$470,209,636	$268,047,354
2009-10	645,615	300,476	10,858,514	$510,324,389	$289,720,147
2010-11	659,121	307,720	11,256,610	$525,812,379	$297,920,254
2011-12	665,815	342,788	11,652,370	$524,879,507	$296,599,561

[1] "Discrete Beneficiaries" are the number of beneficiaries who received a prescription. Discrete beneficiaries are counted once within each fiscal year.

[2] "Actual Beneficiaries" are the number of total beneficiaries who received part or all of their drug cost paid by the Drug Plan.
Note: 2011-12 Actual Beneficiaries increased by 11.4% due to expanded prescribing authority for Saskatchewan Pharmacists (see page 15).

Trend information shows that while the number of discrete beneficiaries increased by 1.0% and number of prescriptions increased by 3.5%, the total approved prescription cost decreased by (0.2%) and total Drug Plan payment decreased by (0.4%).

Table 3 Distribution of Prescription Drug Plan Costs

April 2011 - March 2012

Payments on behalf of families (all programs combined)	**(000s)**
Drug Material Acquisition Cost	$383,524
Mark-up	$33,280
Dispensing Fee	$107,098
Compounding Portion of Mark-up	$977
Total Approved Prescription Cost	***$524,880***
Less: Consumer Payments	($228,280)
Total Prescription Drug Plan Payments [1]	***$296,600***
Third Party payments/manual adjustments [2]	($6,160)
Net Payments by MIDAS System [3]	**$290,440**

1 Drug Plan payments refer to formulary drugs and exception status drugs.

2 Third Party payments/Manual adjustments include refunds to vote, year-end adjustments made in accordance with accounting policies and payments outside the online system such as payments to the RHA's.

3 MIDAS is a central financial system.

Table 4 Prescription Drug Utilization Trend by Age of Discrete Beneficiary

April 1, 2011 - March 31, 2012

Age of Beneficiary	2010-11	2011-12	% increase (decrease) 10-11 to 11-12
Average Number of Prescriptions Per Discrete Beneficiary			
0 - 4	3.4	3.2	(5.9%)
5 - 14	4.1	4.1	0.0%
15 - 24	6.0	6.2	3.3%
25 - 34	7.5	7.7	2.7%
35 - 44	10.3	10.5	1.9%
45 - 54	15.2	15.6	2.6%
55 - 64	22.5	22.7	0.9%
65 - 74	32.7	32.9	0.6%
75 - 84	41.1	41.9	1.9%
85 and over	46.3	47.0	1.5%
Total	**17.1**	**17.5**	**2.3%**
Average Prescription Cost [1]			
0 - 4	$24.87	$27.68	11.3%
5 - 14	$51.96	$54.16	4.2%
15 - 24	$45.74	$47.52	3.9%
25 - 34	$50.68	$52.06	2.7%
35 - 44	$55.18	$54.91	(0.5%)
45 - 54	$53.14	$51.31	(3.4%)
55 - 64	$49.14	$46.92	(4.5%)
65 - 74	$46.66	$44.06	(5.6%)
75 - 84	$42.32	$39.61	(6.4%)
85 and over	$36.27	$34.23	(5.6%)
Total	**$46.71**	**$45.04**	(3.6%)
Total Cost of Prescriptions Per Discrete Beneficiary			
0 - 4	$83.85	$89.14	6.3%
5 - 14	$213.14	$224.06	5.1%
15 - 24	$275.84	$294.16	6.6%
25 - 34	$379.86	$398.37	4.9%
35 - 44	$566.15	$576.86	1.9%
45 - 54	$807.24	$800.34	(0.9%)
55 - 64	$1,106.45	$1,066.48	(3.6%)
65 - 74	$1,525.92	$1,450.33	(5.0%)
75 - 84	$1,739.05	$1,657.63	(4.7%)
85 and over	$1,678.19	$1,608.58	(4.1%)
Total	**$797.75**	**$788.33**	(1.2%)

1 Includes Drug Acquisition Cost, mark-up and dispensing fees paid to pharmacies

Table 4 highlights three factors that might contribute to the change in growth: number of prescriptions per beneficiary; average prescription cost; and cost of prescriptions per beneficiary.

While the total average number of prescriptions per beneficiary increased by 2.5%, the total average prescription cost decreased by (3.6%), and the total cost of prescriptions per discrete beneficiary decreased by (1.2%) for all beneficiaries.

The cost of prescriptions per discrete beneficiary increased for age groups 0 through 44, and decreased for age groups 45 and over. The range of increases/(decreases), based on age, was 6.6% to (5.0%).

2011-12 Utilization by Families

The total average prescription cost for families in 2011-12 was $1,165.49. The average family share on total prescription costs is $506.89 (43.5%) and the average Drug Plan share is $658.60 (56.5%).

Table 5 Prescription Cost to Families

April 2011 - March 2012

Total Cost to Family Unit	# of Family Units [1]	# of Prescriptions [2]	Drug Material Cost [3]	Total Approved Prescription Cost [4]	Net Family / Insurance Payments [5]	Total Drug Plan Payment [6]
$ Nil	18,549	552,552	$22,743,169	$27,673,427	$0	$27,673,427
$ 00.01 - 100.00	119,124	579,846	$18,812,935	$24,248,581	$5,172,780	$19,075,801
$ 100.01 - 200.00	54,201	531,466	$17,014,604	$21,973,746	$7,956,727	$14,017,020
$ 200.01 - 300.00	42,977	581,330	$19,009,893	$24,392,860	$10,684,637	$13,708,223
$ 300.01 - 400.00	35,394	657,245	$21,103,433	$27,187,386	$12,325,205	$14,862,180
$ 400.01 - 500.00	28,382	747,876	$23,605,501	$30,517,861	$12,727,125	$17,790,736
$ 500.01 - 600.00	23,799	837,734	$25,451,057	$33,199,939	$13,053,084	$20,146,855
$ 600.01 - 700.00	19,618	798,354	$24,772,185	$32,143,769	$12,721,839	$19,421,930
$ 700.01 - 800.00	15,969	702,018	$22,238,110	$28,710,071	$11,943,687	$16,766,385
$ 800.01 - 900.00	13,214	643,968	$20,412,188	$26,348,952	$11,213,021	$15,135,931
$ 900.01 - 1000.00	11,291	599,390	$18,894,904	$24,401,484	$10,711,835	$13,689,649
$ 1000.01 - 1250.00	20,969	1,222,838	$39,857,179	$51,084,525	$23,407,371	$27,677,154
$ 1250.01 - 1500.00	13,911	860,983	$29,691,818	$37,579,812	$19,018,270	$18,561,541
$ 1500.01 - 1750.00	9,376	619,378	$22,687,275	$28,346,011	$15,155,457	$13,190,554
$ 1750.01 - 2000.00	6,236	413,497	$16,250,213	$20,033,242	$11,656,434	$8,376,807
$ 2000.01 - 2250.00	4,447	305,195	$12,499,277	$15,273,805	$9,405,661	$5,868,144
$ 2250.01 - 2500.00	3,355	240,940	$10,787,289	$12,978,806	$7,946,225	$5,032,581
$ 2500.01 - 3000.00	4,085	306,678	$15,448,931	$18,229,220	$11,119,561	$7,109,659
$ 3000.01 - 3500.00	2,246	183,946	$9,902,516	$11,556,789	$7,239,094	$4,317,695
$ 3500.01 - 4000.00	1,207	103,872	$7,251,993	$8,187,811	$4,486,539	$3,701,272
$ 4000.01 - 4500.00	651	57,740	$4,635,912	$5,154,487	$2,745,331	$2,409,157
$ 4500.01 - 5000.00	381	34,988	$3,366,843	$3,681,145	$1,802,907	$1,878,238
$ 5000.01+	790	65,708	$11,057,449	$11,645,012	$5,824,938	$5,820,074
$ Less than Zero	180	4,828	$286,897	$330,765	($37,782)	$368,548
Total	**450,352**	**11,652,370**	**$417,781,570**	**$524,879,507**	**$228,279,946**	**$296,599,561**

1 A Family Unit includes all beneficiaries registered under one family number through the Ministry of Health, Health Registration Branch. Beneficiaries may belong to more than one Family Unit within a fiscal year. In this table beneficiaries are included under their most recent family number in the time period.

2 # of Prescriptions refers to Formulary and Exception Drug Status drugs. This total includes Special Fees, Diagnostic Agents and Diabetic Supplies.

3 Drug Material Cost includes Total Acquisition Cost + Mark-up and Compound Fee, if applicable, less Discount, if applicable.

4 Total Approved Prescription Cost is the total approved amount of the Drug Material Cost, as well as the approved pharmacy dispensing fee.

5 Net Family / Insurance Payments is the total cost paid by families and/or their insurance plans towards the total approved cost of the prescriptions. In some cases, the value of this field is negative due to adjustments and reversals of payments made in the previous time period.

6 Total Drug Plan Payment is the total of the Drug Material Cost and Dispensing fee, less portion paid by families and their insurance plans.

Objective 3 – Reduce the cost of drug materials

Better Value

To help ensure the viability of the Drug Plan, and to be better able to provide coverage for new drugs through the Saskatchewan Formulary, the Drug Plan has the following "better value" strategies in place:

- **Low Cost Alternative Policy**

  Interchangeable products are different brands of the same drug with the same strength and dosage form that are equivalent in therapeutic effectiveness and quality. In the case where more than one interchangeable product is available, the Drug Plan reimbursement is calculated on the price of the lowest cost interchangeable generic drug.

- **Product Listing Agreements (PLA)**

  The Drug Plan enters into product listing agreements with drug manufacturers. These types of agreements result in better value for public funds spent on drugs and assist in managing the financial risk associated with drugs listed on the Saskatchewan Formulary. The ensuing cost savings help to offset Drug Plan expenditures and/or are available to provide additional benefits.

- **Standing Offer Contracts (SOC)**

  The Ministry tenders high volume drugs in certain interchangeable groups to obtain the lowest possible price. An accepted tender, called a standing offer contract, requires the manufacturer to guarantee delivery of the specific drug to Saskatchewan pharmacies through approved distributors at the contracted price. In return, the manufacturer's product is used almost exclusively. In 2011-12, there were fewer SOCs with the introduction of Saskatchewan's generic dispensing strategy (see below).

- **Generic Drug Pricing**

  In 2011-12, the government began to implement a plan to lower generic drug prices for consumers and the Drug Plan. An agreement was reached between the Ministry of Health, the Pharmacists' Association of Saskatchewan and the Canadian Association of Chain Drug Stores regarding the following:
  - the price requirement for first entry generic drugs became 40% of the brand name price as of April 1, 2011;
  - a number of key existing generic drug products transitioned to 45% of the brand price as of May 1, 2011, with the remainder of existing generic drugs becoming 45% as of June 1, 2011 (with some exceptions); and
  - the majority of SOCs expired in phases (April 1, 2011 and October 1, 2011) with products in these former SOC categories transitioning to 35% or less of the brand name price.

- **Maximum Allowable Cost Policy (MAC)**

  Promotes the use of lower cost drugs by limiting the maximum price the Drug Plan pays to the price of the most cost-effective drug within a group of similar drugs that treat the same condition.

Objective 4 – Encourage the rational and appropriate use of prescription drugs

Better Use / Better Care

Drugs are one of the fastest growing categories of health care spending, yet evidence shows that pharmaceuticals are not always prescribed or used effectively or appropriately.

- **The Drug Advisory Committee of Saskatchewan (DACS)**

  The Drug Plan has established the Drug Advisory Committee of Saskatchewan and relies on the expertise of the DACS to provide independent, specialized advice on drug-related matters. The committee provides advice concerning which drug products should be considered for public funding based on evidence-based reviews of the products.

- **The Common Drug Review and the pan-Canadian Oncology Drug Review**

  The Canadian Agency for Drugs and Technologies in Health's (CADTH's) Common Drug Review (CDR) and the national pan-Canadian Oncology Drug Review (pCODR) processes provide the Drug Plan with objective, rigorous clinical and cost-effective reviews of new drugs.

- **Exception Drug Status (EDS)**

  Exception Drug Status drugs are products that are listed in the Saskatchewan Formulary with specific medical criteria or conditions for use. Generally, drug products are recommended for EDS status when there are specific circumstances where use is particularly beneficial; where the drug has potential for the development of widespread inappropriate use; where the drug is more expensive than listed alternatives and offers an advantage in only a limited number of indications; etc. EDS listing can encourage more appropriate prescribing.

- **Partnerships with the University of Saskatchewan's College of Pharmacy and Nutrition**

  - The Drug Plan is a partner in the University of Saskatchewan's Joint Initiative on Adherence, which encourages appropriate use of medications in the province through educational and research initiatives.
  - The Drug Plan has funded the Saskatchewan Drug Utilization and Outcomes Research Team (SDUORT). The SDUORT initiative will enable the provision of focused research in a timely manner to inform Drug Plan policies and to aid in evidenced based decision-making.
  - The Drug Plan has partnered with Merck Canada Inc. and the University of Saskatchewan on a project to improve compliance with the cardiovascular

medications (entitled Community Pharmacists Assisting in Total Cardiovascular Health or CPATCH).

- **Prescription Review Program**

  The Drug Plan provides funding for the Prescription Review Program, which is a program operated by the College of Physicians and Surgeons on behalf of program partners to reduce the risk of abuse and diversion of certain drugs (primarily narcotics and sleeping pills). In recent years, Saskatchewan Health has assisted in increasing the analytic and educational capacity of the program to help encourage appropriate use of drugs monitored by the program.

- **RxFiles Academic Detailing Program**

  The Drug Plan provides an annual grant to the Saskatoon Regional Health Authority to operate the provincial RxFiles Program. Academic detailing is a form of education outreach, which consists of focused one-on-one interactions between a drug professional, and physicians and other health professionals in the community. Academic detailing programs are based on scientific and objective analysis and are aimed at achieving optimum levels of efficacy, safety and economy in drug therapy.

- **RxFiles Long Term Care Project**

  The Drug Plan has recently provided some additional funding to RxFiles to focus on optimizing drug use in residents of long term care facilities. The project will engage a variety of health professional providers in pursuing an integrated approach toward the implementation of "best practice" approaches to drug therapy in this population group.

Better Teams

- **Pharmaceutical Information Program (PIP)**

  The Ministry established the Pharmaceutical Information Program, which helps to enhance patient safety and prevent dangerous or inappropriate use of drugs by helping providers select the best medication, avoid drug interactions and avoid duplications of therapy. It also facilitates the team approach to patient care by sharing information across the continuum of care.

- **Pharmacist Prescribing**

  Expanded prescribing authority for Saskatchewan pharmacists came into effect on March 4, 2011. Enhanced prescriptive authority for pharmacists recognizes the ability of pharmacists to improve health care delivery in the province, working in collaboration with physicians and other health care professionals. It also provides an increased emphasis on the importance of pharmacists to interdisciplinary collaboration and team-based care.

  Saskatchewan pays an assessment fee to pharmacists to assess their patients' needs under prescriptive authority. The services are available at no cost to any resident of the province with valid health coverage.

Under expanded prescribing authority for Saskatchewan pharmacists, reimbursement to pharmacies for minor ailment prescribing was implemented February 1, 2012. Pharmacies are reimbursed when a pharmacist prescribes an eligible prescription medication according to the "*Guidelines for Minor Ailment Prescribing*".

Supplementary Health and Family Health Benefits

Highlights for 2011-12

- The average number of people registered on programs in 2011-12 with eligibility for Supplementary Health benefits was **46,530.**
- The average number of people eligible for Family Health Benefits was **53,291**. This includes both children who are eligible for all benefits and adults who are eligible for limited benefits.
- The average number of seniors eligible for the Seniors' Income Plan was **14,145**.

Program Objective and Supporting Information

To provide for payment of accounts for non-insured health services to people nominated for coverage by the Ministries of Social Services, Corrections, Public Safety and Policing and Advanced Education, Employment and Immigration.

Table 6 Supplementary Health Program and Family Health Benefits Payments [1]

April 2011 - March 2012

Services	Saskatchewan Assistance Plan	Government Wards	Provincial Correctional Institutions	Seniors' Income Plan Recipients in Special Care Homes	Family Health Benefits	Other Beneficiary Categories [2]	Totals
Over-the-Counter Drugs (Plan Three)	$1,456,306	$234,090	$229,081	$322,936	$393	$17,871	**$2,260,677**
Medical Supplies and Appliances	$813,293	$69,955	$3,411	$17,073	$75,818	$22,180	**$1,001,732**
Northern Medical Transpotation (Air)	$982,801	$24,489	$4,074	$0	$87,306	$1,442	**$1,100,111**
Northern Medical Transpotation (Ground)	$2,451,112	$25,676	$2,785	$0	$98,253	$39,467	**$2,617,293**
Medical Services	$478,139	$5,240	$969	$0	$2,581	$1,048	**$487,976**
Dental Services	$6,664,666	$702,005	$453,245	$7,976	$2,735,496	$50,917	**$10,614,304**
Optical Services	$1,196,950	$103,301	$80,072	$3,562	$465,062	$281,743	**$2,130,689**
Ambulance Services	$2,312,963	$96,244	$44,258	$26,800	$162,219	$31,811	**$2,674,294**
Chiropractic Services	$376,706	$11,582	$549	$1,918	$750,164	$273,261	**$1,414,179**
Total: Supplementary Health and Family Health Benefits	**$16,732,937**	**$1,272,581**	**$818,444**	**$380,264**	**$4,377,290**	**$719,740**	**$24,301,256**

1 Some items may not balance due to rounding

2 Other Beneficiary Categories include: Assisted Adoption, Job Training and Seniors' Income Plan

Supplementary Health and Family Health Benefits

1. **Over-the-Counter Drugs (Plan Three)**

   Supplementary Health provides certain physician prescribed over-the-counter drugs without charge for Plan Three residents residing in nursing and approved community homes, government wards and provincial correctional centre inmates. Formulary and over-the-counter drug benefits for the different levels of Social Assistance Plan coverage are outlined on page 7.

   Coverage may also be provided in some circumstances for Plan One and Plan Two beneficiaries where drug requirements are not met by Formulary drugs or products approved under Exception Drug Status.

2. **Medical Supplies and Appliances**

   All Supplementary Health beneficiaries and children with Family Health Benefits coverage are covered for a wide range of medical supplies, appliances and devices when prescribed by a physician.

3. **Northern Medical Transportation Program**

   Benefits of the Northern Medical Transportation Program include:

   - pursuant to Ministry of Health policies, the branch pays claims for emergency medical evacuation (air) from locations in the north for all Saskatchewan residents; and
   - the Supplementary Health and Family Health Benefit programs pay the cost of non-emergency medical transportation for Supplementary Health beneficiaries and children with Family Health Benefits coverage residing in northern Saskatchewan to access medical appointments outside their community.

4. **Medical Services**

   Supplementary Health and Family Health Benefits pays the cost of non-insured third party reports requested by the Ministry of Social Services. These reports are used to determine the level of required nursing care, rehabilitation potential and employability.

5. **Dental Services**

   Coverage includes basic preventive, restorative, exodontic, and prosthetic dental services for all Supplementary Health beneficiaries and children with Family Health Benefits coverage.

6. **Optometric Services**

   Eyeglasses are covered for all Supplementary Health beneficiaries and children with Family Health Benefits coverage, whether provided by an optometrist or ophthalmic dispensary. There is an upper limit on the amount paid for eyeglass frames.

   The cost of eye examinations is covered for Supplementary Health beneficiaries 18 years of age and over, Seniors' Income Plan recipients and adults with Family Health Benefits coverage. Eye examinations for children are covered on a universal basis by the Medical Services Branch.

7. Ambulance Services

Emergency medical transportation by road ambulance is a benefit for all Supplementary Health beneficiaries and children with Family Health Benefits coverage.

8. Chiropractic Services

A maximum of 12 chiropractic services per year are covered for Supplementary Health, Family Health Benefits and Seniors' Income Plan beneficiaries.

Table 7 Historical Costs of Supplementary Health Program and Family Health Benefits Payments [1]

April 2011 - March 2012

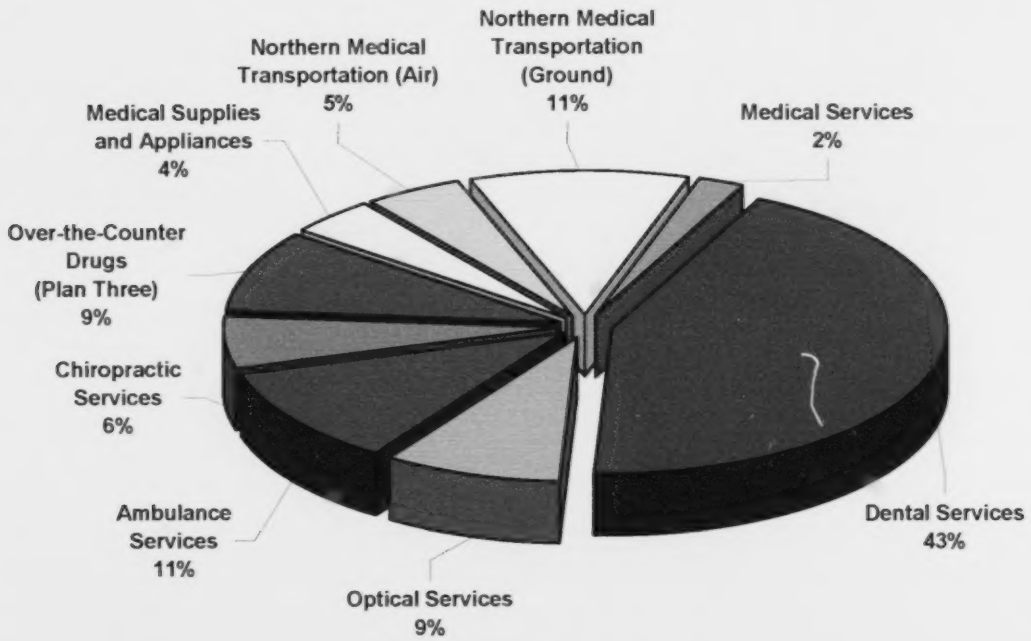
Services	2007-08	2008-09	2009-10	2010-11	2011-12
Over-the-Counter Drugs (Plan Three)	$2,740,574	$2,859,432	$2,782,317	$2,375,198	$2,260,677
Medical Supplies and Appliances	$883,456	$922,535	$960,815	$1,038,142	$1,001,732
Northern Medical Transportation (Air)	$425,463	$279,911	$327,163	$646,250	$1,100,111
Northern Medical Transportation (Ground)	$2,002,411	$2,025,701	$2,439,291	$2,556,635	$2,617,293
Medical Services	$350,353	$320,609	$341,836	$355,071	$487,976
Dental Services	$7,022,277	$6,805,758	$9,612,538	$9,930,885	$10,614,304
Optical Services	$1,821,004	$1,962,336	$2,115,286	$2,130,691	$2,130,689
Ambulance Services	$2,172,417	$2,268,758	$2,261,222	$2,444,416	$2,674,294
Chiropractic Services	$1,724,518	$1,531,416	$1,557,744	$1,504,874	$1,414,179
Total: Supplementary Health and Family Health Benefits	**$19,142,473**	**$18,976,456**	**$22,398,212**	**$22,982,161**	**$24,301,256**

Note: Includes Seniors' Income Plan Payments

1 Some items may not balance due to rounding

Chart 1 Supplementary Health Program and Family Health Benefits Payments

April 2011 - March 2012



Saskatchewan Aids to Independent Living (SAIL)

Highlights for 2011-12

On July 1, 2011, the Drug Plan and Extended Benefits Branch acquired responsibility for the policy and operation of the Phenylketonuria (PKU) Program from the Population Health Branch of the Ministry of Health. As part of this transition, a Lean initiative was undertaken that allows PKU clients to order their specialized formula directly from the supplier.

On January 1, 2012, low protein food, in addition to previously covered metabolic formula, was added as a benefit for clients registered on the PKU Program.

On January 1, 2012, the age criterion for insulin pump eligibility through Saskatchewan Aids to Independent Living was expanded from children 17 years of age or younger to individuals 25 years of age or younger. To coincide with this change, the program was renamed from the Saskatchewan Children's Insulin Pump Program to the Saskatchewan Insulin Pump Program. All other eligibility requirements of the program remain the same.

Program Objective and Supporting Information

SAIL was established to provide benefits that assist people with physical disabilities achieve a more active and independent lifestyle and to assist people in the management of certain chronic health conditions. The program provides a basic level of coverage for disability related equipment, devices, products and supplies in order to achieve the best possible care, experience and health for beneficiaries.

Program Descriptions

Table 8 Caseloads and SAIL Payments

April 2011- March 2012

	2010-11		2011-12	
	Caseload	**Expenditures**	**Caseload**	**Expenditures**
Universal Programs				
Orthopaedic Services	7,249	$4,547,130	7,639	$4,903,273
Special Needs Equipment	n.a.	$5,142,638	n.a.	$6,313,212
Home Oxygen	4,359	$10,980,763	4,354	$11,230,101
Respiratory Equipment	n.a.	$1,313,910	n.a.	$1,410,637
Therapeutic Nutritional Products	141	$236,036	136	$232,618
Children's Enteral Feeding Pump	172	$296,895	252	$340,898
Special Benefit Programs				
Paraplegia Program	1,812	$5,236,346	1,802	$5,632,569
Cystic Fibrosis	130	$224,439	129	$175,320
Chronic End-Stage Renal Disease	1,112	$3,632,586	1,128	$3,362,956
Ostomy Program	2,226	$1,349,005	2,237	$1,408,902
Haemophilia	15	$27,010	12	$23,588
Aids to the Blind	n.a.	$418,352	n.a.	$424,245
Saskatchewan Insulin Pump *	90	$119,700	127**	$157,500
Total		**$33,524,811**		**$35,615,820**

Note: n.a. is not available

*Includes cost of pumps only. Supply costs are included in the Drug Plan.

**Program expanded in January 2012 to include individuals between 18 and 25 years of age.

Universal Benefit Programs

Orthopaedic Services
(Prosthetics and Orthotics Program and Compression Garment Program)

Prosthetic Appliances – Artificial limbs and accessories are supplied, fitted, adjusted and repaired.

Orthotic Appliances – Higher-cost back braces and upper and lower extremity orthoses, braces and splints are supplied, fitted, adjusted, and repaired. High-cost knee braces are cost shared with clients.

The above services are supplied by the Orthotics and Prosthetics Departments of the Wascana Rehabilitation Centre in Regina and the Saskatchewan Abilities Council in

Saskatoon. Private service providers may bill for the cost of materials only, with prior approval.

Specialized and Adaptive Seating – Adaptations to wheelchairs to ensure safety and proper fit are supplied and adjusted.

Compression/Burn Garments – Moderate to high pressure compression garments for the management of serious conditions are provided.

Adaptive and Rehabilitation Equipment – Limited equipment for in-home rehabilitation and therapy for children is available.

Special Needs Equipment Program

Mobility and environmental aids are loaned, maintained and repaired. Equipment available for loan includes wheelchairs, walkers, specialized crutches, hospital beds and accessories, transfer assists, bathtub lifts and commodes.

The Special Needs Equipment Program is operated by the Saskatchewan Abilities Council under contract with SAIL. Equipment depots are located in Prince Albert, Regina, Saskatoon, Swift Current and Yorkton.

Home Oxygen Program

Home oxygen and related equipment are benefits under SAIL for Saskatchewan residents who meet medical criteria or who meet the criteria for end stage palliative care. The oxygen systems are supplied by private medical oxygen supply companies under contract with SAIL.

Respiratory Equipment Program

Home respiratory equipment such as ventilators, continuous positive airway pressure (CPAP) and bi-level flow generators, portable and stationary suctioning equipment, and tracheostomy humidification compressors are loaned, maintained and repaired. SAIL provides financial assistance towards the purchase of aerosol therapy compressors (nebulizers) for eligible beneficiaries, who are responsible for maintenance and repairs. The program also covers the cost of spirometers for discharge from hospital after a lung transplant.

Therapeutic Nutritional Products Program

The program provides assistance towards the cost of specialized nutritional products for people with complex medical conditions who rely on those products as their primary nutritional source. The program assists with the incremental cost associated with using these products in place of a regular diet. Program benefits are cost shared between clients and Saskatchewan Health, with the client's portion varying based on a number of factors, including family income and drug costs.

Children's Enteral Feeding Pump Program

Feeding pumps are provided by SAIL on a loan basis to children who require nasogastric or gastrostomy pump feeding. Select consumable supplies associated with pump feeding are also a benefit.

Special Benefit Programs

In addition to universal SAIL program benefits, extended coverage is provided to beneficiaries with certain chronic health conditions.

Paraplegia Program

Benefits are available for individuals who have paralysis of all or most of the lower limbs and trunk due to a lesion or disease affecting the spinal cord. Drugs listed in the Saskatchewan Formulary, drugs approved under Exception Drug Status and select physician prescribed over the counter drugs are a benefit. Bladder and bowel incontinence products, wound management and other medical supplies for chronic conditions are also provided. Limited specialized rehabilitation equipment is purchased for clients. Grants are provided for purchases related to home access and vehicle modifications.

Cystic Fibrosis Program

Drugs listed in the Saskatchewan Formulary, drugs approved under Exception Drug Status and select physician prescribed over the counter drugs are benefits of the program. In addition, certain nutritional supplements are covered for individuals with cystic fibrosis.

Chronic End-Stage Renal Disease Program

Drugs listed in the Saskatchewan Formulary, drugs approved under Exception Drug Status and select physician prescribed over the counter drugs are a benefit for persons with end-stage renal disease requiring dialysis and kidney transplant recipients.

Ostomy Program

SAIL covers fifty percent of the cost of certain ostomy supplies, such as appliances, adhesives and adhesive removers, for individuals with a urinary or bowel diversion.

Haemophilia Program

SAIL covers the cost of medical supplies associated with home infusion for the treatment of haemophilia.

Aids to the Blind Program

The program provides or subsidizes the cost of select low vision aids, assistive devices and vision rehabilitation services to individuals living with vision loss. Aids and devices include braillers, white canes, talking calculators and watches, magnifiers and low vision eyewear. Equipment and low vision services are provided by the Canadian National Institute for the Blind (CNIB) under contract with SAIL.

Saskatchewan Insulin Pump Program

The program covers the cost of an insulin pump for individuals 25 years of age or younger who have Type 1 diabetes and meet medical criteria. Prior to January 1, 2012, coverage was limited to children 17 years of age or younger with Type 1 diabetes who met medical criteria. When the age limit was revised, the program was renamed from the Saskatchewan Children's Insulin Pump Program to the Saskatchewan Insulin Pump Program. Financial assistance is also available for insulin pump supplies for qualifying individuals. Pump supplies are processed as benefits through the Drug Plan system and are subject to family deductibles and/or co-payments.

Table 9 Units of Equipment Issued[1]

April 2011 - March 2012

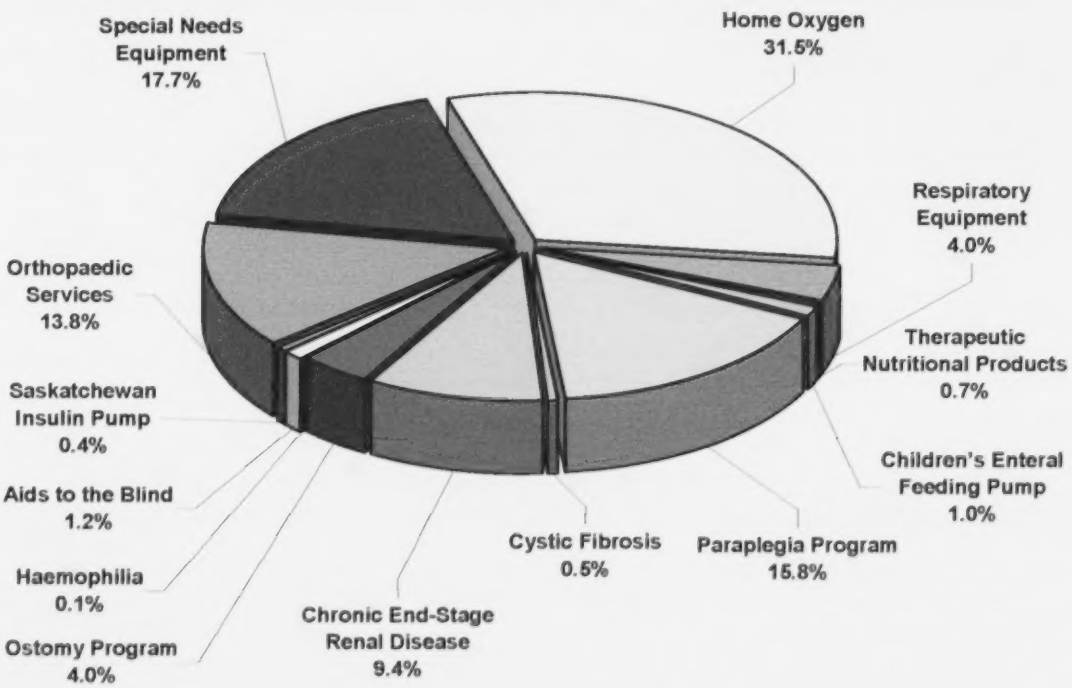
Program	2009-10	2010-11	2011-12
Special Needs Equipment	27,461	28,556	30,438
Respiratory Equipment	1,693	1,756	1,947
Aids to the Blind	n.a.	1,617	1,492

Note: n.a. is not available

[1] A unit of equipment is a discrete loan item (e.g. wheelchair, walker, sask-a-pole, cushion, ventilator, CPAP machine, suction machine, talking book player, white cane)

Chart 2 SAIL Payments

April 2011 - March 2012



Appendix 1 Drug Plan History

Since its inception, over 37 years ago, the Saskatchewan Drug Plan has provided a high quality of service to the people of Saskatchewan in the delivery of a prescription drug coverage program.

1974	**May 10** – Enabling legislation for the Drug Plan, The Prescription Drugs Act, was assented to on May 10.
1975	**September 1** – The Drug Plan began providing benefits. A review process was established to recommend which drugs should be covered under the Drug Plan. The actual acquisition cost plus a dispensing fee comprised the total cost of a Formulary drug.
1987	**July 1** – A mark-up on the cost of a drug was added. Mark-up was calculated on the acquisition cost before the dispensing fee was added.
	July 1 – The Drug Plan was changed from a fixed co-payment coverage program to a basic deductible* and percentage co-payment program. Those residents entitled to special health benefits were exempted.
	July 1 – Palliative Care coverage was introduced.
1989	**January 1** – Point of Sale terminals were installed for each pharmacy to submit claims information electronically for adjudication online in real time.
	January 1 – Eligible drugs purchased anywhere in Canada by all eligible Saskatchewan residents became a benefit.
1991	**March 8** – Beneficiaries in Special Care Homes, who previously paid a maximum $3.95 for each prescription, became part of the deductible plan.
	July 1 – The coverage policy for drugs in an interchangeable group was changed. The actual acquisition cost of every product in the interchangeable group was now covered only up to lowest listed price in the group.
1997	**October** – A Managed Care Fee was implemented for community-based pharmacies that provide monitoring, supervision and other required activities to administer the Methadone Program.
	December – Task Force on High Cost Drugs was appointed to determine appropriate improvements to the way government evaluates new pharmaceuticals.
1999	**August** – A Trial Prescription Program was implemented.
2000	The Prescription Drug Plan, in partnership with the Saskatoon Health District, implemented the RxFiles Academic Detailing Program as an educational program aimed at assisting physicians in selecting the most appropriate and cost-effective drug therapy for their patients. This program was an extension of the Community Drug Utilization Program, established in 1997 as a pilot project in the district.
2002	**July** – The Income-based Program was implemented, replacing the semi-annual deductible.
2004	**July 1** – The Maximum Allowable Cost policy was implemented with one group of drugs, the Proton Pump Inhibitors, using the price of the most cost effective drugs as a guide to set the maximum price the Drug Plan would cover for other similar drugs used to treat the same condition.
	September 15 – Following a legislative change, the Drug Plan began collecting information on all prescriptions dispensed from community pharmacies, including those that were not benefits of the Drug Plan.

2005	**October 24** – The Pharmaceutical Information Program (PIP) Medication Profile Viewer (MPV) phase began with a pre-production rollout to selected sites to validate production processes.
2006	**March** – Full production rollout of the PIP Medication Profile Viewer to pharmacies, emergency rooms, physician clinics, long-term care and home facilities as they were equipped and trained. The MPV provides authorized health care professionals with confidential shared access to patient medication histories to help improve drug therapy for Saskatchewan residents.
	July 1 – The Drug Plan computer system was changed to allow for indefinite Exception Drug Status (EDS) coverage on a large number of EDS medications that are used to treat chronic conditions that previously could only be approved for three years at a time.
	October 3 – The Executive Director of the Drug Plan and Extended Benefits Branch was given a Delegation of Authority for Interchangeable Generic Drug Coverage, as per Ministry policy.
2007	**July** – The second phase of PIP e-prescribing began and became available for physicians and registered nurses/nurse practitioners to prescribe electronically.
2009	**December 21** – The appointments to the newly created Drug Advisory Committee of Saskatchewan (DACS) were approved, which marked a significant change in the Saskatchewan drug review process.
2010	**January 15** – Pharmacists were able to bill two new benefit services, the Medication Assessment and the Compliance Packaging, to the Drug Plan and Extended Benefits Branch for eligible community-based clients who require medication management through Home Care services.
	March – Approximately 99% of pharmacies have access to PIP.
	March – PIP Implementation is in its final phase, which is to integrate PIP with health provider computer systems.
	March 31 – Project Development of PIP was completed. The Drug Plan and Extended Benefits Branch became the business owner of PIP.
	Fall – The initial pilot phase of PIP integration using a national electronic messaging standard (CeRx) was launched in 14 pharmacies across the province.
	October 1 – Eligible clients for the Medication Assessment and Compliance Packaging fees was expanded to include individuals identified by regional outpatient mental health programs.

2011	**March 4** – Pharmacists were able to bill Patient Assessment Fees for services provided under the expanded prescriptive authority for pharmacists. This expanded authority will provide Saskatchewan residents with easier access to their medications when they need them and will benefit residents through more efficient and accessible health care services.
	April 1 – The first group of Standing Offer Contract (SOC) products expired. Products in these former SOC categories transitioned to 35% of the brand name price. The price requirement for first entry generic drug submissions received after April 1st became 40% of brand name.
	May 1 – A select group (fewer than 20) of existing generic drugs transitioned to 45% of brand name.
	June 1 – The price requirement for the remainder of existing generic drugs became 45% of brand name.
	June 1 – Changes to the wholesale mark-up and cap were implemented. A wholesale mark-up of 6% will be included in the maximum allowable unit price for generic drugs. This is in lieu of the distribution fee previously paid by generic drug manufacturers to drug wholesalers, which resulted in a 0% wholesale mark-up on generic drugs. The 6% mark-up is non-rebatable to pharmacies except for a maximum 2% discount for prompt payment. The cap on wholesale mark-up increased from $40 to $50 per package.
	October 1 – Products in the second group of SOCs expired and the price transitioned to 35% of brand name.
2012	**February 1** – Reimbursement to pharmacies for minor ailment prescribing when an eligible prescription medication is prescribed by pharmacists according to the "*Guidelines for Minor Ailment Prescribing*". These services are available at no cost to Saskatchewan residents with valid health coverage. Saskatchewan is the first province to pay an assessment fee to pharmacies for minor ailment prescribing.

* Refers to **History of Deductibles**

Appendix 2 History of Deductibles

July 1, 1987	Annual deductible of $125 (regular family), then a co-payment of 20%.
	Annual deductible of $75 (senior family), then a co-payment of 20%.
	Annual deductible of $50 (single senior), then a co-payment of 20%.
March 8, 1991	Annual deductibles as above (1987), then a co-payment of 25%.
	Residents of Special Care Homes became part of the deductible program.
May 19, 1992	Semi-annual deductible of $190 (regular family), then a co-payment of 35% to a $375 maximum, then 10% co-payment.
	Single senior and senior family deductibles at 1987 level but became semi-annual, with a co-payment of 35% to a $375 maximum, then 10% co-payment.
March 19, 1993	Families became eligible for the Special Support program, where families and the Drug Plan shared the cost of prescriptions, if the cost for covered drugs exceeded 3.4% of the family income. The family co-payment for each covered prescription was set based on the relation between family income and eligible drug cost.
	Family Income Plan recipients, Saskatchewan Income Plan recipients, and Guaranteed Income Supplement recipients in special care homes, had a semi-annual deductible of $100, then a co-payment of 35%.
	All other Guaranteed Income Supplement recipients had a semi-annual deductible of $200, then a co-payment of 35%.
	All other family units subject to a deductible and not approved for Special Support had a semi-annual deductible of $850, then a co-payment of 35%.
December 1, 1997	The $50,000 family income cap for the Special Support Program was removed.
August 1, 1998	The Family Health Benefits Program was introduced to replace the Family Income Plan. The program provided adults with a semi-annual deductible of $100, then a co-payment of 35%, and no charge for children.
July 1, 2002	The income-based program replaced the semi-annual deductible of $850 that began in 1993.
July 1, 2007	Saskatchewan residents 65 years and older automatically became covered under the Seniors' Drug Plan that capped prescriptions at $15 for drugs listed under the Saskatchewan Formulary.
July 1, 2008	The amended Seniors' Drug Plan took effect. It provides a $15 cap per prescription to those seniors eligible for the federal age credit.
	The Children's Drug Plan took effect, providing a $15 cap per prescription for children 14 and under.
March 21, 2012	The Seniors' and Children's Drug Plan payment cap per prescription increased to $20.

Appendix 3 Pharmacy Claims Processing

Information relating to the process for submission of pharmacy claims, pharmacy reimbursements and prescription quantities can be found on the Formulary website http://formulary.drugplan.health.gov.sk.ca or the Saskatchewan Health website http://www.health.gov.sk.ca.

The following table provides a history of maximum dispensing fees and pharmacy mark-up fees according to agreement between Saskatchewan Health and the pharmacy proprietors:

Dates	Dispensing Fee	Mark-Up
September 1, 2003 to November 30, 2005	$7.97	30% for drug cost up to $6.30; 15% for drug cost between $6.31 and $15.80; 10% for drug cost of $15.81 to $200.00, and a maximum mark-up of $20.00 for drug cost over $200.00.
December 1, 2005 to September 30, 2006	$8.21	
October 1, 2006 to September 30, 2007	$8.46	
October 1, 2007 to July 31, 2009	$8.63	
August 1, 2009 to July 31, 2010	$9.15	
August 1, 2010 to April 30, 2011	$9.43	
May 1, 2011 to March 31, 2012	$9.85	

Note: The tiered mark-up and dispensing fee do not apply for diabetic supplies.

Appendix 4 Supplementary Health and Family Health Benefits Program History

1966	**April 1** – The Saskatchewan Assistance Plan was instituted. Several categories of beneficiaries under the Medical Services Division were combined into one program with the basis of need becoming the criteria to determine eligibility.
1968	**September 1** – Coverage for refractions was moved to the Saskatchewan Medical Care Insurance.
1975	**September 1** – Payment responsibility of formulary drugs and of prosthetic and orthotic appliances for Social Assistance beneficiaries was taken over by the Saskatchewan Prescription Drug Plan and by the Saskatchewan Aids to Independent Living respectively.
1981	**July 1** – Program eligibility was expanded to include benefits for non-recipients of Social Assistance receiving level 2, 3, and 4 special care home or long-term hospital care where incomes are at or below the Saskatchewan Income Plan level.
1984	**May 1** – Responsibility for emergency medical transportation costs by road ambulance and Saskatchewan Government air ambulance for Supplementary Health beneficiaries was transferred from the Department of Social Services.
1992	**June 1** – Eye examinations were added to coverage for Supplementary Health beneficiaries over the age of 17, and for adults receiving the Family Income Plan and the Saskatchewan Income Plan supplements.
	September 8 – Services of chiropractors became fully covered for Supplementary Health, Family Income Plan and Saskatchewan Income Plan beneficiaries.
1993	**June 30** – Supplementary Health began providing dental coverage for children in families that received the Family Income Plan supplement.
1997	**May 1** – The Ministry began providing all Supplementary Health Benefits for children in Family Income Plan families.
1998	**August 1** – The Ministry began providing Family Health Benefits for families who received the Saskatchewan Child Benefit and/or the Saskatchewan Employment Supplement. Family Income Plan recipients became part of Family Health Benefits.
2010	**April 1** – The number of chiropractic treatments covered for Supplementary Health, Family Health Benefits and Seniors' Income Plan recipients was capped at 12 per year.

Appendix 5 Saskatchewan Aids to Independent Living (SAIL) Program History

1975	**April 1** – SAIL began providing benefits to eligible residents for prosthetic/orthotic devices.
	August 1 – SAIL benefits expanded to provide equipment loans and equipment repairs for all residents of the province.
1976	**April 1** – SAIL took over responsibility for: the Paraplegia Program, which covers the cost of incontinence products, medical supplies and select rehabilitation equipment recommended by the attending physician as well as providing grants for home and vehicle modifications; the Cystic Fibrosis Program, which provides drugs and nutritional supplements for certain beneficiaries; and the Chronic End Stage Renal Disease Program, which provides assistance with the cost of necessary medications for certain beneficiaries.
1979-80	The Ostomy and Home Haemophilia programs were added.
1984-85	Coverage expanded to include aids and services required by the blind residents in the province.
1987	**June** – the responsibility for the acquisition, distribution and repair of Special Needs Equipment (e.g. wheelchairs, patient lifts, etc.) was transferred to the Saskatchewan Abilities Council. SAIL continues to fund the full cost of the program.
	August – assumed responsibilities for the administration of the Home Oxygen Program from the Drug Plan.
	September – responsibility for the acquisition, distribution and repair of equipment required by the blind was transferred to the Canadian National Institute for the Blind (CNIB). SAIL continues to provide funding to CNIB for delivery of these services.
1996-97	Benefits under the Home Oxygen Program were granted according to certain medical criteria.
2003-04	The Therapeutic Nutritional Products Program was added to assist with the incremental cost associated with using nutritional products in place of a regular diet.
2007	**July** – The Saskatchewan Children's Insulin Pump Program was added to assist with the costs of insulin pumps and related supplies for children 17 years of age or younger who have Type 1 diabetes and meet specific medical criteria.
2011	**July 1** – Responsibility for the policy and operation of the Phenylketonuria (PKU) Program transferred from the Population Health Branch to the Drug Plan and Extended Benefits Branch.
2012	**January 1** – Low protein food was added as a benefit for clients registered on the PKU Program.
	January 1 – The Saskatchewan Children's Insulin Pump Program, previously for children 17 years of age or younger, was expanded to include individuals who are 25 years of age and under. The program was renamed the Saskatchewan Insulin Pump Program.